

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: October 18-19, 2023

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.5e.(13), Action Item

Prepared By: Gloria Roberts
District 07 – Director

Subject: **SUPPLEMENTAL FUNDS ALLOCATION FOR AWARD OF A PREVIOUSLY
VOTED PROJECT**
PPNO 4982/EA 32080 – LOS ANGELES COUNTY – STATE ROUTE 164
RESOLUTION FA-23-31

ISSUE:

Should the California Transportation Commission (Commission) approve the California Department of Transportation's (Department) request for an additional \$1,612,000 in Construction Capital for the State Highway Operation and Protection Program (SHOPP) Americans with Disabilities Act (ADA) Curb Ramps project on State Route (SR) 164, in Los Angeles County, to award the construction contract?

RECOMMENDATION:

The Department recommends that the Commission approve the requested supplemental funds allocation for this SHOPP project.

PROJECT DESCRIPTION:

This project extends along SR 164, through the Cities of South El Monte, El Monte, Rosemead, and Temple City, from Rush Street to Rudell Underpass, in Los Angeles County. The project will upgrade curb ramps, sidewalks, and pathways to meet current standards.

FUNDING AND PROGRAMMING STATUS:

In March 2018, the project was programmed for \$5,803,000 in Construction Capital in the SHOPP for allocation in Fiscal Year 2021-22. In December 2020, the project was amended to decrease the Construction Capital to \$5,626,000, due to changes in postmile limits for a partial relinquishment of SR 164. In June 2022, the project received an 11-month allocation time

*"Provide a safe and reliable transportation network that
serves all people and respects the environment."*

extension for the Construction phase. In March 2023, the project was allocated for \$6,601,000 in Construction Capital. Bids were opened in July 2023, and the amount required to award to the lowest responsible bidder exceeded the amount available from the project's allocation and the G-12 funds. Therefore, the Department is requesting supplemental funds in the amount of \$1,612,000 to award the construction contract. In August 2023, the project received a 4-month expenditure time extension for the Plans, Specifications, and Estimate phase. A concurrent award time extension for the Construction phase is also on this month's Commission agenda.

REASON FOR COST INCREASE:

In May 2023, the Department advertised the contract and held the bid opening in July 2023. The contract received seven bids, of which the lowest bid was 13.5 percent above the Engineer's Estimate (EE), however, this bidder was found to be non-responsive. The second lowest bid is 22.8 percent above the EE and the Department is pursuing to award the contract to this bidder. The five remaining bids range from 49.9 to 93.7 percent over the EE.

The main cost increases are due to the electrical items, asphalt, concrete, road excavations, and traffic control. Electrical items are specialty items and their overall prices have increased dramatically in the past 6 months resulting in higher bid prices. In addition, there are a total of 74 curb ramps at 21 intersections included in this project. Small quantities of hot mix asphalt, minor concrete, and roadway excavation are required at each curb ramp location, which have resulted in higher bid prices. Furthermore, traffic control measures are required at 21 different intersections, and the lowest bidder's estimate is higher than the EE due to labor cost increase. The major unit price differences, between the EE and the lowest responsible bid, are related to the following bid items:

- Electrical Items – 55 percent higher (\$847,000)
- Hot Mix Asphalt (Type A) – 200 percent higher (\$145,000)
- Minor Concrete Items – 90 percent higher (\$236,000)
- Traffic Control System – 90 percent higher (\$120,000)
- Roadway Excavation – 90 percent higher (\$107,000)

In aggregate, these items amount to an increase of \$1,455,000 over the EE. The remaining increase is due to minor unit price cost increases of other bid items.

The Department has determined that this request for supplemental funds is in the best interest of the State to be able to award this project to the lowest responsive bidder, and avoid delays in implementing this important ADA Curb Ramps project, as well as adding any extra costs to the Department if the project had to be repackaged and/or re-advertised. The Department has exercised all feasible measures to minimize costs in carrying out work related to this project and has determined that this request is well-supported and is the only viable alternative.

CONSEQUENCES:

If this allocation request for supplemental funds is not approved, the Department will not be able to address critical deficiencies associated with upgrading curb ramps, which will increase accessibility and safety. In order to be able to address all of the critical deficiencies, the project will be delayed due to having to be reprogrammed in a future SHOPP cycle, at a possible higher project cost.

FINANCIAL RESOLUTION:

Resolved, that \$1,612,000 be allocated from the Budget Act of 2022, Budget Act Items 2660-302-0890 and 2660-302-0042 for Construction Capital, to provide funds to award the construction contract of this SHOPP project.

Attachment

2.5 Highway Financial Matters

Project #	Project Title	PPNO	State	State
Allocation Amount	Location	Program	Federal	Federal
Recipient	Project Description	Funding Year	Additional	Revised
<u>RTPA/CTC</u>	Project Support Expenditures	Item #	Amount by	Amount by
County		Fund Type	Fund Type	Fund Type
Dist-Co-Rte		Program Codes		
Postmile		Project ID	Federal	
		Adv Phase	Current Amount	
		EA	by Fund Type	
2.5e.(13)	Supplemental Funds for Previously Voted Project			Resolution FA-23-31
1	In the cities of South El Monte, El Monte, Rosemead, and Temple City, from Rush Street to Rudell Underpass. <u>Outcome/Output</u> : Upgrade curb ramps, sidewalks and pathways to meet current Americans with Disabilities Act (ADA) standards.	07-4982 SHOPP/2021-22		
\$1,612,000		302-0042	\$757,000	\$757,000
Department of Transportation		SHA		
<u>LACMTA</u>	Supplemental funds are needed to Award.	302-0890	\$5,844,000	\$5,844,000
Los Angeles		FTF		
07-LA-164	CEQA - CE, 5/27/2020; Re-validation 6/8/2022	20.20.201.361		
4/6.9	NEPA - CE, 5/27/2020; Re-validation 6/8/2022	SHOPP/2022-23		
		302-0042	\$185,000	\$185,000
		SHA		
	Total revised amount \$8,213,000	302-0890	\$1,427,000	\$1,427,000
		FTF		
		20.20.201.361		
		0716000042		
		4		
		32080		